VANADIUM RECOVERY PROJECT ENVIRONMENTAL PERMIT GRANTED

HIGHLIGHTS

- **The Vanadium Recovery Project in Pori, Finland has been granted an Environmental Permit by the Regional State Administrative Agency for Southern Finland;**
- **Permit authorises, subject to conditions, construction and operation of a vanadium recovery plant to produce supply constrained vanadium pentoxide in Europe;**
- **Nordic investment bank Aventum Partners appointed to lead debt process; and**
- **Formal agreements being advanced with SSAB for additional feedstock and Betolar for key by-product offtake.**

Emerging sustainable battery materials producer, Neometals Ltd (ASX: **NMT**) ("**Neometals**" or "**the Company**"), is pleased to announce that The Regional State Administrative Agency for Southern Finland has granted an environmental permit for operation of a vanadium recovery plant and associated infrastructure (**"Vanadium Recovery Project"** or **"VRP1")**. The permit authorises, subject to a number of conditions, the production of approximately 9,000tpa of vanadium pentoxide (see Table 1 for the key production and storage parameters afforded by the permit).

Neometals is earning a 50% equity interest in an incorporated joint venture ("**JV**") to develop VRP1 with unlisted Australian mineral development company, Critical Metals Ltd ("**Critical Metals**") (for further details *see Neometals announcement titled "High-Grade Vanadium Recycling Agreement" dated 6th April 2020*). The parties are jointly evaluating the feasibility of constructing a facility in Pori, Finland to process and recover high-purity V_2O_5 from vanadium-bearing steel making by-product ("**Slag**") generated by SSAB EMEA AB and SSAB Europe Oy (collectively "**SSAB**") in Scandinavia.

The VRP1 offers a compelling business case which is underpinned by:

- Domestic production of a supply constrained high-purity critical raw material (per European Commission definition) for electric mobility, defence and space;
- Secure access to very high-grade vanadium feedstocks through conditional Slag purchase agreement with SSAB;
- Proprietary alkaline leach flowsheet utilising locally captured carbon dioxide and conventional equipment; and
- a very low or net zero greenhouse gas footprint given the absence of mining and a processing route sequestering CO_2 into potentially saleable carbonate by-product.

Neometals Managing Director Chris Reed said:

"Congratulations to the Neometals and Critical Metals teams and consultants for achieving this significant milestone. Neometals is also grateful to the people and government of Finland for the significant support. The permit, of which the conditions are now outside public appeal, substantially de-risks the VRP1 project as we prepare to make key investment decisions."

Table 1 – Annual production and maximum storage quantities pursuant to the environmental permit

Product	Production (t)	Maximum storage (t)
Vanadium pentoxide	9,000	4,500
Stabilised Slag Material (**"SSM"**)	415,000 dry (545,400 wet)	1,245,000 dry (1,635,000 wet)
Sodium sulphate (by-product)	30,000	7,500

Next Steps

Specialist Nordic investment bank, Aventum Partners, has been appointed by Critical Metals to lead the debt financing process and strong initial feedback suggests there is broad backing for the project from a number of banks involved in evaluation activities. In addition, formal agreements are being advanced by Critical Metals with SSAB for additional feedstock and Betolar plc for offtake of the key by-product from VRP1, SSM. The VRP1 feasibility study remains on track for completion in the December quarter 2022.

Authorised on behalf of Neometals by Christopher Reed, Managing Director

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About Neometals Ltd

Neometals' focus is the continuous development and innovative commercialisation of our proprietary technologies with strong global partners to generate value through sustainable production of battery materials.

Decarbonisation, sustainability and resilient supply chains are the key challenges for the energy storage and electric vehicle supply chain. Our technologies, particularly those in battery materials recycling and recovery, reduce reliance on traditional mining and processing, and support circular economic principles.

Neometals have three core battery materials businesses commercialising proprietary, low-cost, low-carbon process technologies:

- Lithium-ion Battery ("LIB") Recycling (50% equity)– to produce nickel, cobalt and lithium from production scrap and end-of-life LIBs in an incorporated JV with leading global plant builder SMS group. The Primobius JV is operating a commercial disposal service at its 10tpd Shredding 'Spoke' in Germany and is the recycling technology partner to Mercedes Benz. Primobius' first 50tpd operation will be in partnership with Stelco in Canada is expected to reach investment decision in MarQ 2023;

- Vanadium Recovery (earning 50% equity) – to produce high-purity vanadium pentoxide via processing of steelmaking by-product ("Slag"). Finalising evaluation studies on a 300,000tpa operation in Pori, Finland and a potential JV with Critical Metals, underpinned by a 2Mt, 10-year Slag supply agreement (together with potential availability of a further 1.1Mt) with leading Scandinavian steelmaker SSAB. JV investment decision expected end Dec 2022. MOU with H2Green Steel for up to 4Mt of Slag underpins a potential second operation in Boden, Sweden; and

- Lithium Chemicals (earning 35% equity)– to produce battery quality lithium hydroxide from brine and/or hard-rock feedstocks using RAM's patented ELi® electrolysis process. Co-funding pilot plant and evaluation studies on a 20,000tpa operation in Estarreja, Portugal in a 50:50 JV between RAM (70% NMT, 30% Mineral Resources Ltd) and Portugal's largest chemical producer Bondalti Chemicals S.A. Investment decision expected Dec 2023.